

ILL. C. C. DOCKET NO. 01-0700
SUPPLEMENTAL TESTIMONY OF Illinois Gas Company 5

C. P. HUDDLESTON

Witness

Date 3/15/02 Reporter ael

REGARDING CORRECTED STATEMENT I

ILL. C. C. DOCKET NO. 01-0700

1 Q. Please state your name and business address.

2 A: My name is C. P. Huddleston, My business address is 1004 State Street, PO Box 596,
3 Lawrenceville, Illinois 61439.

4 Q. Mr. Huddleston, by whom are you employed and in what capacity?

5 A. I am employed by Illinois Gas Company, "Illinois Gas" or the "Company" as Gas Supply
6 Manager.

7 Q. How long have you been associated with Illinois Gas?

8 A. Since October 1957.

9 Q. Are you the same person who submitted the original testimony in this Docket on 3/29/02?

10 A. Yes, I am that person.

11 Q. What is the purpose of your supplemental testimony?

12 A. The purpose of this supplemental testimony is to revise Statement I, which consists of
13 some 6 Columns broken down by component, Winter Demand, Column (3), Summer
14 Demand, Column (4), and Commodity, Column (5), plus the total by line item in the far
15 right Column. You will please note that Column (5) Line 5, shows a recoverable
16 commodity cost of some \$7,452,116. Revised Statement I, Column (6) line 5 shows a
17 adjustment of 26,597 to the Recoverable cost of gas, which when added to the 7,452,116
18 in column (5) results in Column (7) 7,478,713 in the recoverable Commodity cost of gas,
19 and a total recoverable cost of 8,958,844 in Column (8). Please note that, Column (7) line
20 11 shows a Balance Recovery Under (Over) at 12/31/2001 of 170,802 and Column (7)

1 line 12 shows Factor A Adjustments Amortized to Schedule I, at 12/31/2001, of 144,205.

2 When line 12 is subtracted from line 11, the result is a Requested Factor O of \$26,597

3 Recovery on line 14.

4 Q. Please describe the adjustment related to commodity cost.

5 A. On July 16, 2002, in discussion with Staff regarding the way exchange gas is calculated, I
6 explained that the NNS storage gas is a loan of gas from a Texas Gas Storage Field, most
7 often during the Winter month's, November through March, with the stipulation that I
8 replace the gas during the Summer months, April through October. This data is reflected
9 in a spreadsheet titled "CALCULATION OF SALES AND EXCHANGES (FACTOR
10 SE)". In addition I submitted spreadsheets for Staff's review, where the daily flow of gas
11 is tracked together with the flow on each FT or NNS Contract and the resulting daily
12 withdrawal or injection of Exchange or "Storage Gas". This spreadsheet is reconciled to
13 the Texas Gas Invoice each month. In going over the monthly total Withdrawal or
14 Injection totals, it was discovered that for the month of October 2001, I had recorded an
15 Injection of (10,463) MMBtu on the spreadsheet titled CALCULATION OF SALES
16 AND EXCHANGES (FACTOR SE) which included (5,000) MMBtu In-field transfer.
17 The (5,000) MMBtu In-field transfer should not have been included. The corrected
18 number is (5,463) MMBtu, which results in a decrease of (\$26,660.08) in the cost of gas
19 injected into storage, and an increase in the cost of storage gas owed to Texas Gas, on the
20 books of the Company. This increases the 2001 Recoverable gas cost by \$26.597, after
21 the effects of Company Use are considered.

22 Q. What is the impact on the PGA?

23 A. The decrease of (26,660.08) in the cost of SE or Storage Gas results in an increase from

1 \$225,946 to \$252,606 or a \$26,660 increase, for the month of October 2001. The Cost of
2 Company Use increases from \$533 to \$596 or a \$63 increase. The Recoverable Cost of
3 Gas goes from \$225,413 to \$252,010 or a \$26,597 increase. This becomes a Requested
4 Factor O, which will be recovered, (if approved), after the Final Order is received. The
5 Impact of \$26,597 should be a very small part of the overall PGA , when it is included in
6 the calculation.

7 Q. Does this conclude your testimony?

8 A. Yes. It does..

ILLINOIS GAS COMPANY
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CORRECTED
STATEMENT 1

RECONCILIATION OF REVENUE BILLED UNDER UNIFORM PGA CHARGES
WITH THE ADJUSTED COST OF GAS INCURRED
FOR THE RECONCILIATION PERIOD ENDED DECEMBER 31, 2001

Line No. (1)	Description (2)	Winter Seasonal Demand (3)	Summer Seasonal Demand (4)	COMMODITY			Total (8)
				Originally Filed (5)	Adjustment (6)	Adjusted (7)	
1	Unamortized Balance as of 12/31/00 per 2000 Reconciliation	\$0	\$0	\$0	\$0	\$0	\$0
2	Factor A Adjustments Amortized to Schedule I at 12/31/00 per 00 Reconciliation	(204,937)	14,751	52,246	0	52,246	(137,940)
3	Factor O Collected (Refunded) During 2001	0	0	(44,220)	0	(44,220)	(44,220)
4	Balance to Be Collected(Refunded) From Prior Periods, (Sum of lines 1-3)	(204,937)	14,751	8,026	0	8,026	(182,160)
5	2001 Recoverable Costs	965,219	514,912	7,452,116	26,597	7,478,713	8,958,844
6	2001 PGA Revenue	(630,029)	(541,070)	(7,314,282)	0	(7,314,282)	(8,485,381)
7	Pipeline Surcharges (Refunds)	0	0	0	0	0	0
8	Other Adjustments	0	0	4,503	0	4,503	4,503
9	Interest	0	0	(6,158)	0	(6,158)	(6,158)
10	2001 Recovery Under/(Over) (Sum of lines 5-9)	335,190	(26,158)	136,179	26,597	162,776	471,808
11	Balance Recovery Under/(Over) at 12/31/2001 (Line 4 + Line 10)	130,253	(11,407)	144,205	26,597	170,802	289,648
12	Factor A Adjustments Amortized to Schedule I at 12/31/2001	130,253	(11,407)	144,205	0	144,205	263,051
13	Unamortized Balance at Dec 31, 2001 (per Filing trying up actuals for Dec 2001)	0	0	0	0	0	0
14	Requested Factor O Line 11 - Line 12 - Line 13	0	0	0	26,597	26,597	26,597